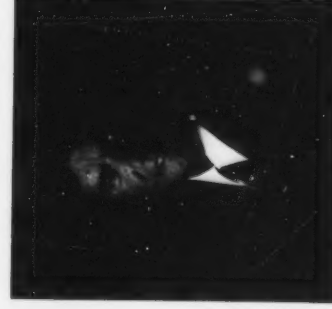


economic IMPACT

THE TRADE CENTRE LIMITED ANNUAL REPORT: 1997/1998



"Our staff are the reason we have been able to accomplish so much in such a short time."

Fred MacGillivray, President, Trade Centre Limited

In 1997/98, Trade Centre Limited undertook a comprehensive client survey as part of the continuing measurement of the economic impacts of activities in World Trade and Convention Centre and Halifax Metro Centre since 1986. More than three thousand intercept interviews, self-administered questionnaires and personal interviews were conducted with delegates, exhibitors, planners, promoters and Halifax Metro Centre patrons from 49 events, including conventions, trade shows, concerts, sporting events and family shows.

HIGHLIGHTS 1997/98 Economic Impact Study

TOTAL ATTENDANCE:	
World Trade and Convention Centre	152,429
Halifax Metro Centre	598,370
TOTAL	750,799
DIRECT EXPENDITURES:	
World Trade and Convention Centre	\$ 35.8 million
Halifax Metro Centre	\$ 35.7 million
TOTAL	\$ 71.5 million
SPIN-OFF EXPENDITURES:	
World Trade and Convention Centre	\$ 57.6 million
Halifax Metro Centre	\$ 43.1 million
TOTAL	\$ 100.7 million
TOTAL EXPENDITURES:	
World Trade and Convention Centre	\$ 93.4 million
Halifax Metro Centre	\$ 78.8 million
TOTAL	\$ 172.2 million
ECONOMIC IMPACTS:	
Additions to Household Income	\$ 24.5 million
Employment Created (person years)	830
Provincial Government Revenues	\$ 3.6 million



Message from the President...Page 3

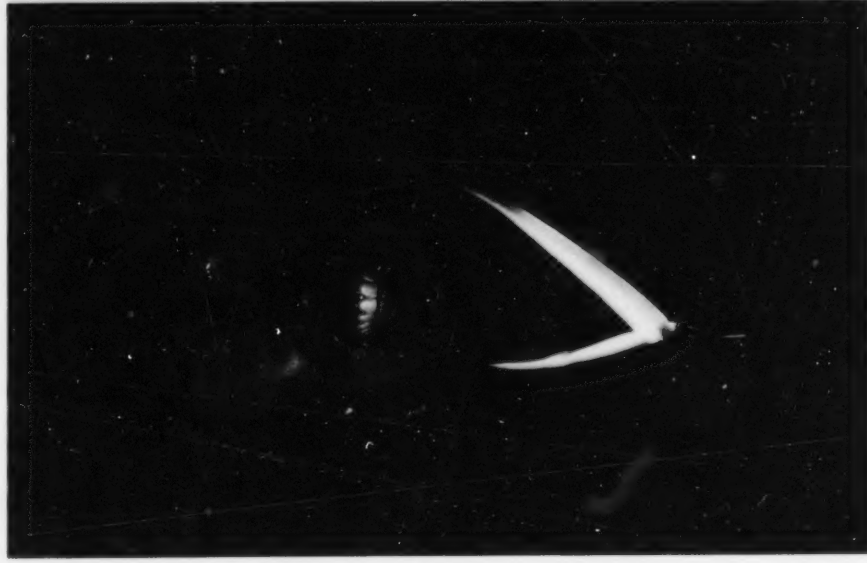
Halifax Metro Centre celebrates 20 years of success...Page 4

World Trade and Convention Centre pulls out all the stops...Page 6

Atlantic Canada World Trade Centre reaches out...Page 8

World Trade Centre Tower continues to outperform...Page 9

MESSAGE FROM THE CHAIR



Orleen Wheatley,
Chairperson

People, partnerships and profit. These three words sum up the past year for Trade Centre Limited.

For the fiscal year ended March 31, 1998, Trade Centre Limited had an operating surplus of \$569,237 before depreciation and interest income on revenues of \$7.1 million—more than twice the level of our 1997 surplus of \$251,725 on revenues of \$6.5 million. Under our management, the Halifax Metro Centre, for the second year since opening in 1978, was able to achieve an excess of revenues over expenditures before special items in 1998 of \$194,263 and in 1997 of \$165,549. Special items expenditures in the amount of \$170,542 in 1998 and \$143,180 in 1997 were for the safety and comfort of our patrons, tenants and employees.

One of our main goals for this past year has been opening new opportunities for our people and enhancing the value of our relationships with strategic business partnerships. These partnerships are essential for each of our business

units to continue growth beyond the year 2000. They are 'win-win' opportunities where both sides benefit.

Successfully managing relationships with our valued customers will allow Trade Centre Limited to achieve a sustainable business advantage and long-term financial success. This involves paying equal attention to securing new business opportunities and taking care of our existing customers.

Our priorities for 1998-99 are similar to those from this past year—continue to focus on cost control and quality and productivity improvements; make further progress on projects related to growth and profitability; build on the work we have invested in our strategic plan; add economic value through increasing profits. We will also integrate an exciting new business unit, Events Halifax, mandated to seek out cultural and sports events for Halifax.

Whether we are looking back or to the future, one thing never changes—our fundamental responsibility to deliver increased value to our shareholders, the Province of Nova Scotia and the Halifax Regional Municipality.

In closing, I want to emphasize the importance of the people who work for Trade Centre Limited. Our business units depend on our employees' knowledge to increase operational effectiveness and generate new business growth. On behalf of the entire Board of Directors, I want to pass along our sincere gratitude for the extraordinary efforts of the people who make Trade Centre Limited work. And take it from the people who know: our customers. Please read the testimonials at the bottom of each page of this annual report to see how our customers feel about the work done by Trade Centre Limited's employees.



Trade Centre Limited's management team (from left to right): Scott Ferguson, General Manager, Halifax Metro Centre; Dennis Mansour, General Manager, World Trade and Convention Centre; Darrell Hardy, Property Manager, World Trade Centre Tower; Monica Kennedy, Communications Manager, Trade Centre Limited; Fred MacGillivray, President and Chief Executive Officer, Trade Centre Limited; Colette Curran, Manager, Human Resources, Trade Centre Limited; Don Larlee, Director of Finance, Trade Centre Limited; Shari Pierce, General Sales Manager, Trade Centre Limited; and Dov Bercovici, General Manager, Atlantic Canada World Trade Centre.

Trade Centre Limited Board of Directors



The Honourable Alan Abraham
Former Lieutenant Governor of
Nova Scotia
Halifax, NS



Walter Fitzgerald
Mayor
Halifax Regional Municipality



Hilliard Graves
President
AMCA Sales Ltd.



Ron Hanson
Councillor
Halifax Regional Municipality



Fred MacGillivray
President and
Chief Executive Officer
Trade Centre Ltd.



M. Lois Dyer Mann
Senior Vice-President
Corporate Communications Ltd.



Gordon Snow
Councillor
Halifax Regional Municipality



Bill Stone
Councillor
Halifax Regional Municipality

MESSAGE FROM THE PRESIDENT

Less than five years ago we created a strategic plan with the goal of moving Trade Centre Limited in a new direction. We were determined that our facility could become operationally self-sufficient. We knew that the future would bring increased competition and new challenges, and we knew we had to be ready to go head-to-head with the best in Canada and beyond. We knew that there was much to be gained by developing a new type of culture based on openness, trust and respect. It is extremely satisfying to be able to report that we continue to achieve these ambitious goals, often succeeding beyond our expectations.

Employees make it all happen

Our staff are one of the reasons we have been able to accomplish so much in such a short time. Our employees have grown into new roles extremely well. They know that each and every individual plays a key role in the success of the whole venture. They take a hands-on approach, accept ownership and think creatively to overcome challenges. They also share in the pride of accomplishment. Over the past five years, our four business units have discovered that while their operations are very different, they have so much to contribute to each other. This represents an enormous gain in understanding both the business in which we are engaged and what constitutes financial and community-related success.

I cannot emphasize enough how proud I am of our staff and their work. Many times each week I hear about the difference their professional attitude makes—when I talk to a meeting planner following their conference; or a sports fan after a Mooseheads game; or a satisfied Tower tenant; or a local business owner who has just made an export connection. The message is loud and clear.

The customer has always been our priority. Our employees realize that exceeding a customer's expectations both increases revenue and builds a stronger business, which in turn paves the way for a better future. In the coming year we are going to capitalize on this understanding. Trade Centre Limited is developing a program of Distinguished Service which will take us to a whole new level. We want to be known across Atlantic Canada as the model for service.

Partnerships a key factor

Part of our corporate strength results from the partnership we have worked hard to forge with our employees. The relationship is a contract where each party knows what it can expect of each other. During 1997-98 we undertook a major project to classify every job within the organization and ensure that everyone is compensated according to fair market value for the job they perform. The ability to grow in a job and advance is more important than ever these days. We have made a commitment to devote 1% of our revenues and 1% of each employee's working hours to training so they will have that opportunity.

As you'll see in this report, the partnership concept extends far beyond our walls. In the past year each of our business units has strengthened many existing partnerships and forged new ones with customers, suppliers, local businesses and promoters. These relationships will continue to enhance all partners' activities in the years ahead.

In the black

The other rewarding aspect of TCL's success is financial. We are now not only paying our way and free of provincial government subsidies, but we are achieving an income level that over time will be able to provide for our own capital needs.

The condition and appeal of our facilities are vital to the image we wish to project and we continue to invest in upgrading each year. During 1997-98 we undertook some major reconstruction in the office tower and extended our Executive Suites concept in the Metro Centre by constructing 20 Sky Boxes. Major renovations scheduled for the Trade Centre Club in 1998 will make this facility more functional for the needs of its new clientele.

We are proud of our success but in no way complacent about the future. Our business units operate in an extremely competitive environment and we must ensure we stay on top of our game. We must also be looking ahead continually to find ways to bring new opportunities to Halifax. This is the focus behind Events Halifax, the new business unit we announced at the end of the



Fred MacGillivray,
President & CEO

year. Events Halifax is a public-private partnership mandated to seek out, bid on, and stage major national and international sports and cultural events. Recent successes with events such as the World Figure Skating Championships and the Labatt Brier give us confidence that the local community has all the necessary expertise to make such a venture yield a good return on its investment and provide an important boost to the local economy.

I would like to thank the management team and all our staff for their efforts of the past year. It really is a privilege to lead such a team. I also extend my thanks to the Board of Directors for their continuing support, interest and enthusiasm.

Our Sales Team Makes The Difference



Paul Cody

Connie Wambach

Steve Pottie

Shari Pierce

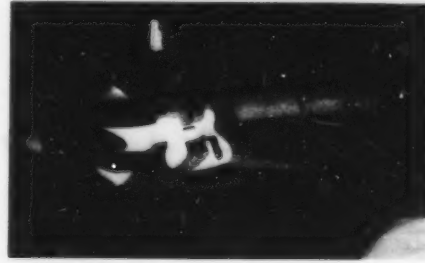


**World Trade and
Convention Centre**

902-421-8686

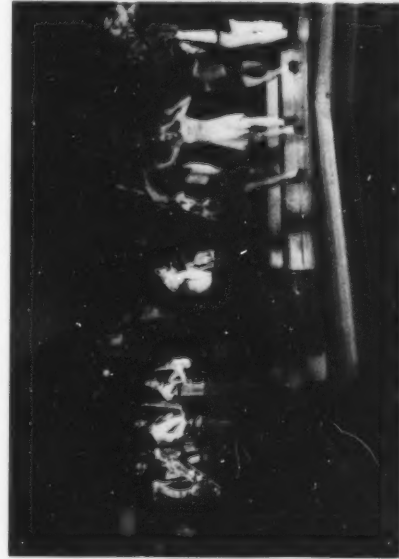
HALIFAX METRO CENTRE CELEBRATES 20 YEARS OF SUCCESS

For the second year in a row, the Halifax Metro Centre has not only met all its short-term goals but also achieved a surplus in Canada's extremely competitive venue marketplace. Our total surplus for the year was \$23,721 after special items. The year's 190 event days represented an exceptionally broad spectrum of entertainment-from spectacular ice shows and concerts to world-class sports.



Terri Clark enchanted fans with country flair.

During 1997-98, Nova Scotia audiences had an opportunity to enjoy such stars as Bob Dylan, the Backstreet Boys, Creedence Clearwater Revisited, Bill Cosby and the region's finest talent at the East Coast Music Awards. They also turned out in huge numbers for the CIAU Final Eight playoffs and for an excellent Halifax Mooseheads' hockey season.

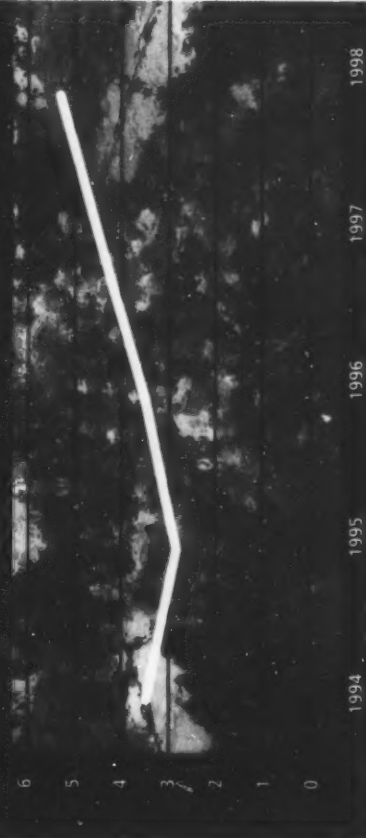


Johnny Favourite and his Swing Orchestra was a favourite at the ECMAs this year.



The Backstreet Boys thrilled 10,000 young fans at the most anticipated concert of the year.

HALIFAX METRO CENTRE — REVENUES



Staff-our special ingredient

We have built our reputation at the Halifax Metro Centre on being an extremely versatile community facility, but the type of packed and varied schedule we operate would be impossible without the highest calibre staff. It takes experience and technical expertise to be able to switch seamlessly overnight from Kidsworld—complete with rides and a circus—to a university convocation the following morning! Or within hours from a hockey to a basketball set up. Our staff surmount challenges such as these every day with skill and good humour. This past year they faced even more of a challenge than normal because we had to present a 'business as usual' face for our audiences while working around the construction equipment for the new Sky Boxes.

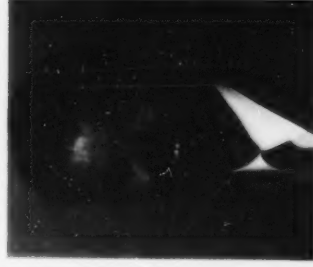
Community partners—a winning combination

Another key to the Halifax Metro Centre's continued growth is our work in developing partnerships. One of the most successful is a collaboration with Sobeys to extend our Box Office system into the community. Ten Sobeys supermarkets now have ticket outlets. Ticket buyers have the convenience of choosing a community outlet, phone, or the off-site box office, all linked to our own computerized system.

On the corporate partnership side, we have extended our successful Executive Suites concept by adding 20 Sky Boxes, most of which are now leased with five-year contracts. More than 50 corporations and major advertisers—national and regional companies—have chosen to partner with us this way. That represents an exceptional and gratifying corporate response in a community this size.

Spreading the word

We're also delighted with the response to our LIVE! magazine, which we produce in partnership with Holiday Talk. With a circulation of 70,000, LIVE! promotes Halifax Metro Centre's upcoming events through articles, pictures, contests and promotions. Bright, dynamic and informative, it embodies the fun and excitement to be found at a Metro Centre event. LIVE! is also a key part of our new Big Ticket promotion, with partners C100 radio and The Daily News. Lucky contestants can win monthly passes to all Halifax Metro Centre public events.



*Scott Ferguson,
General Manager,
Halifax Metro Centre*

It's particularly rewarding to have such a good news story to tell in Halifax Metro Centre's 20th anniversary year. The customer has always been our central focus, but we will continue to search for ways to surprise and delight all our different audiences. Market surveys are giving us an even better understanding of the region's population and the type of events that will meet each sector's needs. Halifax Metro Centre has earned a reputation as Atlantic Canada's top entertainment and sports centre. We will never stop trying to top our own performance.



The Halifax Mooseheads enjoyed their fourth successful year in Halifax Metro Centre.



Nova Scotia International Tattoo celebrates with the Royal Canadian Mounted Police—125 years of RCMP history.



Bill Cosby charmed audiences during two Halifax Metro Centre performances.



Mega-star Bob Dylan played to a sold-out crowd.



Halifax was successful in its CIAU bid to "Keep it Here" until the year 2000.



Halifax Metro Centre Staff celebrate 20 years of successful events.



Bucky Adams was one of the special guests for bluesman Dutch Mason's 60th birthday celebration.

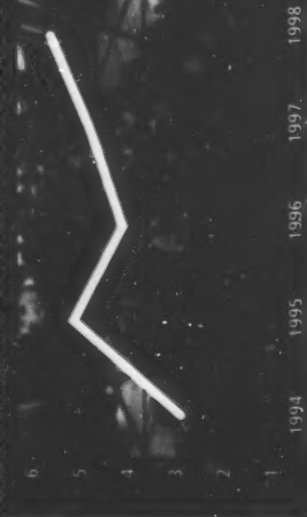
1997-98 EVENT HIGHLIGHTS

Harlem Globetrotters
Bob Dylan
Chrysler Stars on Ice
Kidsworld
Automation '97
The Giant Holiday Circus
Terri Clark
"Grease"
Nova Scotia International Tattoo
"Monday Night Raw" WWF
Roch Voisine
Basketball Canada
Glenn Miller Orchestra
International Hockey Tournament
Atlantic Canada Computer Business Show
1997 Canon Elvis Tour of Champions
NHL Exhibition Hockey Game - Ottawa Senators vs. Carolina Hurricanes
Toronto Raptors vs. Vancouver Grizzlies (Naismith Cup)
Allied Beauty Trade Show
1997 Sun Life Skate Canada
Amanda Marshall
Little Texas, Black Hawk, Michael Peterson
Labatt Blue AUAA Basketball Festival
Timbit Minor Hockey Jamboree
Backstreet Boys
Blue Rodeo
Our Lady Peace
NHL Oldtimers Hockey
East Coast Music Association Gala Awards Show
AUAA Men's Basketball Championships
Bryan Adams
Great Big Sea
CIAU Final Eight Basketball Championships
Bill Cosby
André-Philippe Gagnon
CCR Revisited
Jann Arden
Tim McGraw

UPCOMING EVENTS

Oct. 24-26, 1998 Allied Beauty Trade Show
Nov. 9 & 10, 1998 Lord of the Dance
Nov. 26, 1998 Elvis Stojko Tour of Champions
Nov. 27, 1998 NCAA Basketball
Dec. 5, 1998 Celine Dion
Dec. 6, 1998 NHL Oldtimers Hockey
Jan. 7-10, 1999 Disney on Ice - Wizard of Oz
Feb. 18-28, 1999 Four Continents Figure Skating Championships
March 12-14, 1999 AUAA Men's Basketball Championships
March 19-21, 1999 CIAU Final Eight Basketball Championships
March Halifax Mooseheads Hockey Playoffs (Times & dates confirmed closer to event)

HALIFAX METRO CENTRE — ATTENDANCE



WORLD TRADE AND CONVENTION CENTRE PULLS OUT ALL THE STOPS

The World Trade and Convention Centre finished the year with strong sales figures. Total revenues for the year were \$4.49 million, compared to \$4.45 million in 1996-97. Food and beverage was a particularly successful area, bringing in \$2.9 million—\$0.4 million over forecast. We also achieved excellent results in rentals, with a 12.7% increase in revenue over last year. Halifax continues to be considered a destination which offers great value for a high quality experience.

Individual Effort Turns the Tide

World Trade and Convention Centre employees played a major role in the year's success. The strength of our telemarketing and the quality of our database really returned dividends this year. Sales staff worked hard to bring in additional events and were able to fill empty dates and spaces with self-produced events—five in all for the year—while the Event Management team made the most of each opportunity on site.



*Dennis Mansour,
General Manager,
World Trade and
Convention Centre*

The strength of our catering team has always been one of WTCC's strongest assets. The team's creativity in menu planning and meal execution has been invaluable in recent years. Their innovative ideas ensure that our customers always receive excellent value. An important contributing factor to the overall success of the Convention Centre this past year was the team effort by both sales and event management groups. In particular, sharing cost information led to greater efficiencies and maximum effectiveness in meeting our customers' needs.

Partnerships Unite and Prosper

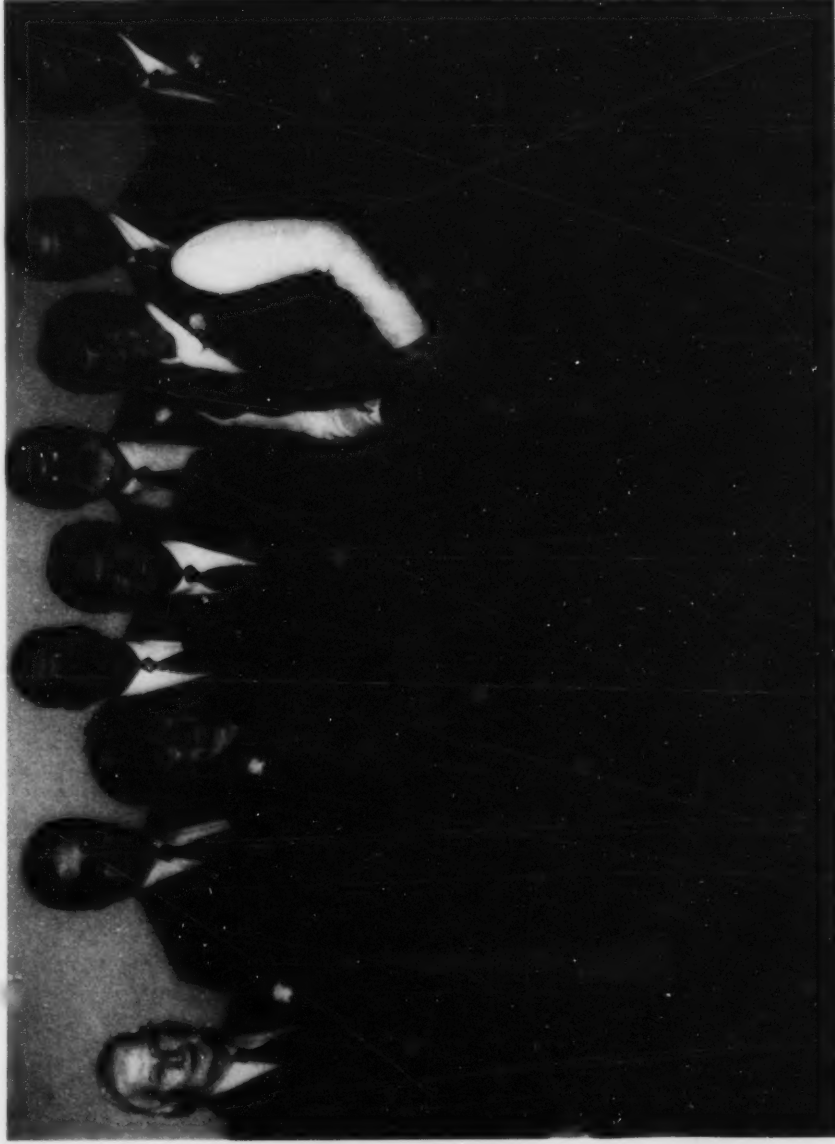
One of the most important areas of change for us in recent years has been the growth of our partnerships.

The Sales team continued to work closely with the Greater Halifax Conventions and Meetings Bureau, helping the Bureau to increase the number of meetings and bedrooms booked within the city.

The "Downtown Halifax Link", our year-round connection to 1,000 hotel bedrooms, shopping, and casino has become an important draw in Halifax and has helped to increase the city's attractiveness in the winter "shoulder season." This is in keeping with Trade Centre Limited's goal to have no "off-season". This partnership worked collaboratively to increase booking results.

Working with our Official Suppliers, we held another highly successful Awards of Recognition luncheon in Ottawa to recognize and thank meeting planners. It was even more successful than last year's event.

All partnerships have resulted in the sharing of tasks to minimize duplication. By jointly responding to requests, increasing the uniformity of bids and reducing



Convention planners publicly recognized at the 9th Annual Ambassador Recognition Dinner. From left to right are: Ken Mantin, Canadian Hockey Association; Denis Connor for Colin Latham, Softworld '96; Betty Rumley, Canadian Hydrographic Conference '96; Rémy Richard, Canadian Association of Financial Planners; Honourable Don Downe, Minister of Transportation and Public Works; Stephen Grant, Canadian Hydrographic Conference '96; Sandra Everett, Canadian School Boards Association; Gordon Owen, Association of University Technology Managers; J.D. MacCulloch, Softworld '96.

Our Culinary Team Makes The Difference



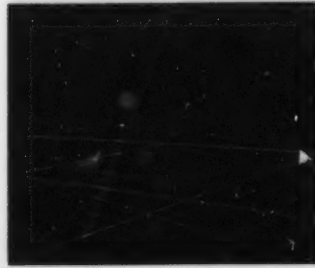
WTCC

**World Trade and
Convention Centre**

902-421-8686

Greg Smith

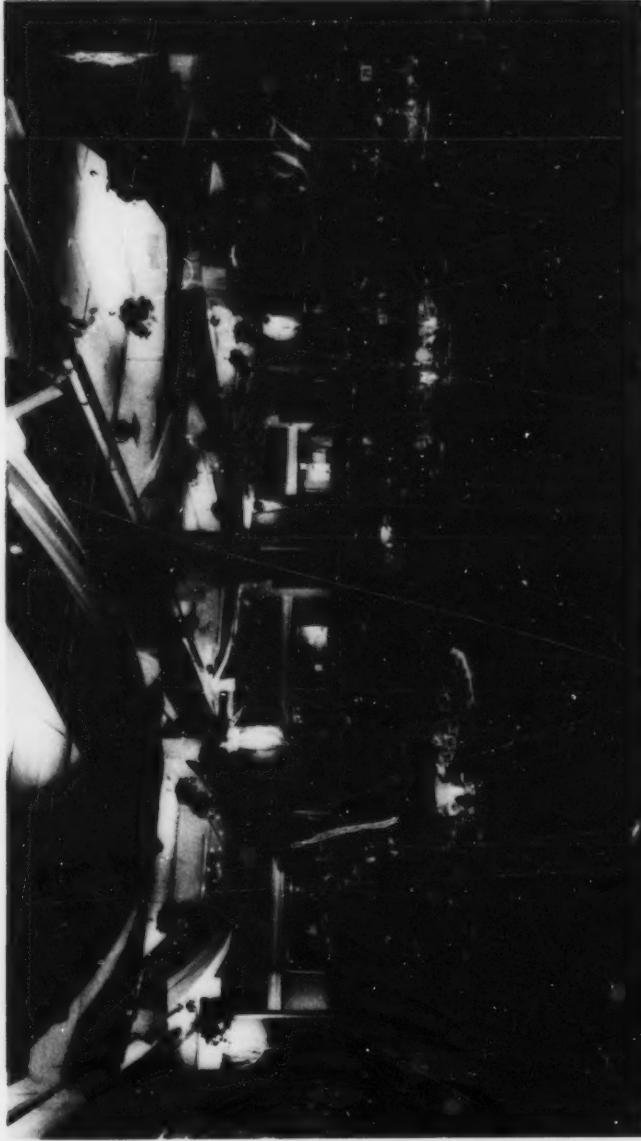
Christophe Gauthier



Shari Pierce,
General Sales Manager,
Trade Centre Limited

each partner's workload, the Sales teams of both the WTCC and its industry partners achieved greater results.

Our challenges will continue in the future as more Canadian cities expand their convention facilities and market them aggressively. But with our staff and partnership resources in place, the World Trade and Convention Centre intends to be a formidable competitor. With Halifax's 150th birthday in 1999/2000 and the upcoming Millennium celebrations, there will be plenty of opportunities to demonstrate our effectiveness.



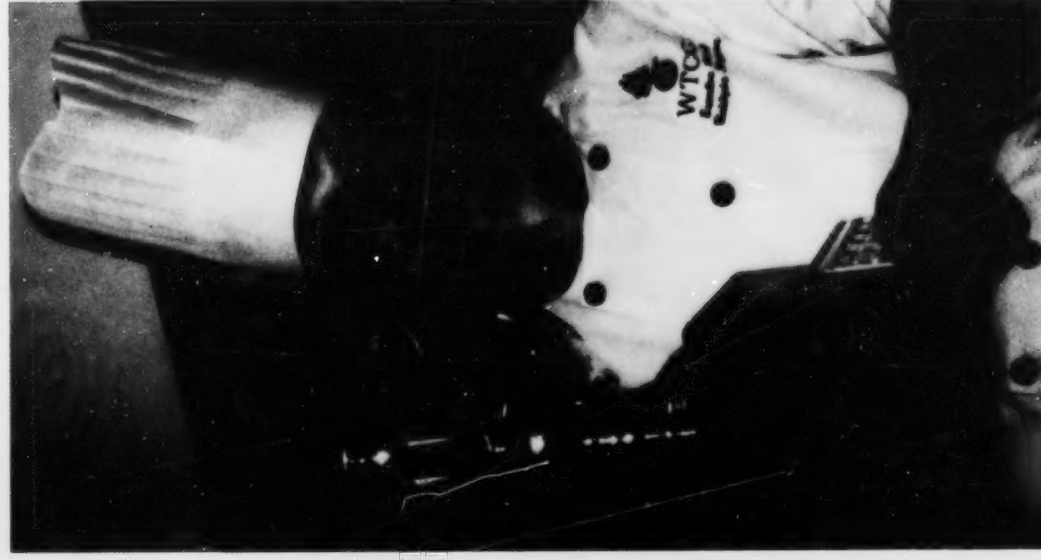
WTCC staff served up a meal for 1,400 Maritime Life guests.

WORLD TRADE AND CONVENTION CENTRE — REVENUES



UPCOMING EVENTS

Oct 3, 1998	Dance Wise Inc. "Edgett International Dance '98"
Oct. 8, 1998	C.O.R.E. Conference 1998
Oct. 14-18, 1998	Canadian Association on Gerontology Annual Convention
Oct. 19, 1998	2 nd Annual Early Psychosis Conference
Oct. 23-26, 1998	Allied Beauty Association '98 Conference
Oct. 28, 1998	Metropolitan Halifax Chamber of Commerce "Business to Business Expo"
Nov. 5-7, 1998	Nova Scotia Port of Wines Festival '98
Nov. 9-10, 1998	Music Industry of Nova Scotia Annual General Meeting
Nov. 12-16, 1998	Shoppers Drug Mart Conference
Nov. 18, 1998	Metropolitan Halifax Chamber of Commerce
Nov. 20-22, 1998	Nova Scotia Designer Crafts Council "Festival of the Arts"
Nov. 24, 1998	National Aboriginal Achievement Foundation "Blueprint for the Future"
Jan. 16-17, 1999	Maritime Marlin Vacation Superstore
Jan. 19-20, 1999	Horticulture East '99
Feb. 7-9, 1999	Atlantic Craft Trade Show
Feb. 21, 1999	Brides '99
Feb. 27-Mar. 2	Bank of Nova Scotia Annual Meeting
Mar. 23-25, 1999	Atlantic Turf Grass Conference and Trade Show



Christophe Luzeux wins the Nova Scotia Chefs & Cooks Association Chef of the Year Award.

1997-98 EVENT HIGHLIGHTS

Atlantic Canada Business Computer Show
Atlantic Wholesalers Ltd.
Clover Group
Novell Canada Inc.
Canadian Breast Cancer Foundation
Dance Wise Inc.
Nova Scotia Sports Heritage
Geomatics Atlantic
Nova Scotia Liquor Commission
Halifax-Cornwallis Progress Club
Shoppers Drug Mart
Nova Scotia Designer Craft Council
Tourism Industry Association of Nova Scotia
Nova Scotia Power Inc.
Canadian Produce Marketing Association
East Coast Music Awards
Canadian Association of Pharmacy Students & Interns
Metropolitan Halifax Chamber of Commerce
Health Canada
Brides '98
Royal Bank of Canada
Maritime Beauty Supply Limited
Canadian Public Health Association
Dalhousie University Continuing Medical Education
Canadian Progress Club
Maritime Tel & Tel
Human Resources Association of Nova Scotia
Junior Achievement of Mainland Nova Scotia
Novaknowledge
Neptune Theatre
Corte Dance Club of Halifax
Agora Food Merchants
Canadian Direct Marketing Association
Scotia Festival of Music
Canadian Association of Emergency Physicians
Tree Canada Foundation
Canadian Association of Occupational Therapists
Canadian Healthcare Association
Canadian Pension and Benefits Institute
The Society of Obstetricians and Gynecologists of Canada
Canadian Diabetes Association
Workers' Compensation Board of Canada
Canadian Public Health Association
Seniors' Expo '97
Fred Deeley Imports Ltd.
Merisel Canada
RCAF Ex-Prisoner of War Association

ATLANTIC CANADA WORLD TRADE CENTRE REACHES OUT

During 1997-98 the Atlantic Canada World Trade Centre continued to make steady progress towards its long-term goals. Despite a slower rate of revenue growth, our actual revenues of \$638,167 were the highest ever for this business unit.

Staff deliver in challenging business

This type of financial performance is a credit to our staff, part-time trade interns and volunteers. Developing trade relations in foreign markets is a challenging business and it takes skilled people to do it effectively. In this business there is often a considerable lag between a trade lead and a signed contract. We are extremely fortunate in the people who work for the Atlantic Canada World Trade Centre. Their determination and enthusiasm play a key role in the continuing financial improvement and growing credibility of our organization.

During the past year we increased the focus on training and we plan to invest significantly in this area in the year ahead. We are also encouraging our staff to join appropriate professional, business and industrial organizations where they will have an opportunity to learn more about our customers' business fields and a chance to meet them in an informal setting.

Focus on partnering and outreach

Above all, 1997-98 was a year of partnering and outreach. Our working relationship with universities and community colleges to jointly offer professional trade training continues to generate significant interest. We are also exploring a variety of new ways to meet people who have particular insights into potential new markets and growing industries. For example, we arranged for a delegation from Acadia University's Hungarian Exchange Program to spend a day at the Trade Centre and meet some local firms. They returned home with a positive attitude towards Nova Scotia and our local businesses gained valuable insights into the needs of that specific market.

We are also working actively with organizations such as the Metropolitan Immigrant Settlement Association and the Black Business Initiative to forge cultural and business links for local expertise to a variety of other countries. A series of joint sponsorship events with the Department of Economic Development and Tourism provided opportunities for overseas trade commissioners from several countries to meet each other at a luncheon.

Research guides future directions

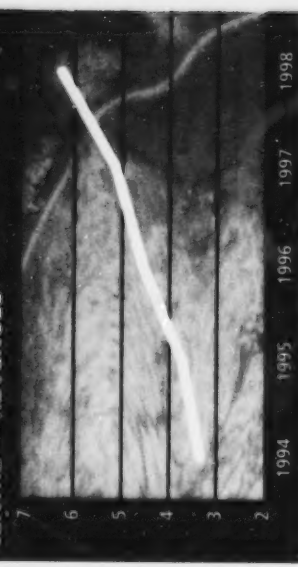
Building our membership is a priority for the immediate future. Our database now identifies Nova Scotia's top exporters and potential exporters and we will be targeting these companies in an annual membership campaign.

We will continue to build our network of strategic alliances with professional organizations. We are strengthening our connections with the network of World Trade Centres, which will, in turn, be helpful in industrial missions. And, in addition to an expanded focus on training, we have specific goals for technological support and communications, both with our external stakeholders and within Trade Centre Limited.

Collectively, these initiatives are starting to add up to an exceptional network of people, connections and knowledge—the essence of the trade business.

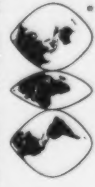
Dov Bercovici,
General Manager,
Atlantic Canada World
Trade Centre

ATLANTIC CANADA WORLD TRADE CENTRE — REVENUES



Dov Bercovici

ATLANTIC CANADA WORLD TRADE CENTRE



H A L I F A X

Before looking at world markets you must understand the business you're in relative to the global economy. Ask yourself the following questions before making any decisions.

1. What makes your product or service unique? What are the key benefits or selling features?
 2. Who makes the decision to buy your product and who influences the buying process?
 3. Who are your competitors and what are their strengths and weaknesses?
- If you need information regarding the exporting of your goods and services, call Dov; he knows his trade.

For more information, call:

Dov Bercovici, General Manager
Atlantic Canada World Trade Centre
Tel: 902-428-7233
Fax: 902-420-8308

Trade Tip #12



This year's graduating class for "Developing New Markets Through Exporting."

Danielle Gorla, an MBA student from Sao Paolo, studying at Saint Mary's University and working part-time at the Atlantic Canada World Trade Centre as a trade intern: "I'm using my knowledge to encourage trade between Brazil and Nova Scotia but I'm also learning so much about different business sectors and making useful contacts."



Atlantic Canada World Trade Centre staff say goodbye to Sandrine Diot, Trade Intern from France.

personable at the same time—they're like a right arm to me.

• Every

WORLD TRADE CENTRE TOWER CONTINUES TO OUTPERFORM

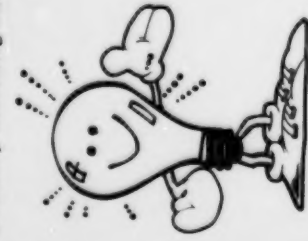


Darrell Hardy,
Property Manager,
World Trade Centre
Tower

In 1997-98, the World Trade Centre Tower began to enjoy the benefits of many service and partnership initiatives undertaken in previous years. Our Tower residency remained at consistently high levels. The average vacancy rate for the 12 months was 1.8%, down from 2.7% last year. In fact, for six months we actually had only 0.5% vacancy—the lowest rate for the longest period of time in our history. This compares extremely favourably to the downtown core where our category of building currently operates with a 12-14% vacancy rate.

Customer retention highest priority

It has been the ability to retain our existing tenants that has enabled the Tower to outperform the competition during the latest recession in the local market. Tenant retention remains our number one strategy and our highest priority. We are constantly refining, measuring and reviewing the ways we serve our tenants. Now that we have effective computerized measurement systems in place, we know how our facility and services are performing on a practical level. We will continue to keep improving the communications channels to ensure we are accurately measuring the service factors our clients value.



Honeywell guarantees huge energy savings.

This is where the day-to-day interactions between our staff and tenants are so important—and, they do us proud.

Building services

Building Services is also part of Property Management. This group provides support to the tenants in the Tower and to all the other

TCL business units. Property Management plays a key role as an internal partner to each of the other units. We know that their ability to meet their expectations is linked to the way their customers experience the facility itself. We have increased our communication focus so that the other divisions know what Property Management staff do, and we, in turn, understand their plans.

As property managers we are often directly involved in these plans as consultants or facilitators for construction projects within the complex. Our role is particularly important where a project has the potential to inconvenience building users. Last year we worked with the builders, architects and Halifax Metro Centre staff during construction of the Sky Boxes. We also oversaw successful upgrading to a number of tenant suites, major renovations throughout the Tower, and significant masonry repairs to the exterior of Halifax Metro Centre.

In 1997, after several years of negotiations, we entered into an energy performance contract with Honeywell. We are now in the installation phase of a \$1.2 million capital upgrade to lighting and mechanical systems throughout the complex. These capital improvements are funded by Honeywell, who will be repaid over ten years from the energy savings, which they guarantee.



Photo by Joseph Bayers

WORLD TRADE OFFICE TOWER — RENTAL REVENUES



Our Events Team Makes The Difference



Dennis Mansour

Verity Astephen

Steve Latham

WTCC

World Trade and
Convention Centre

902-421-8686

COMMUNICATIONS—A STRATEGIC APPROACH

Communications builds on success

During this past year we have seen proof in a number of ways that our communications strategies are working. Surveys tell us that the public now has a much better understanding about the function of our various business units and the positive role Trade Centre Limited plays in the local economy. We are currently expanding on last year's highly successful billboard program by visually introducing the public to the employee teams behind our sales, event management and catering functions.

This past year we broke new ground by undertaking in-depth research with our Halifax Metro Centre audiences. This information will help us fine-tune our programming, attract new sponsors and promoters, and

assist advertisers in planning their campaigns. Industry inquiries from across Canada indicate that we are the only multi-entertainment centre so far to develop this type of extensive information base.

Dynamic new image

We have also made great strides in developing communications programs with the individual business unit managers. Our goal is to ensure each business unit has the flexibility to create its own identity and messages, yet be compatible with the overall Trade Centre image. It is vital that our public image carries a powerful statement wherever it goes. We are currently revising and expanding the brochures and other support materials for all our units. Each is being designed to capture the

excitement, energy and professionalism that are the essence of our business.

Each week, 500-600 visitors check out our Internet website as a unique address. We are working to make it even more dynamic and interactive. As a further service to users, we now add hyperlinks to key suppliers, advertisers and meeting planners. Check our website at www.tradecentrelimited.com.

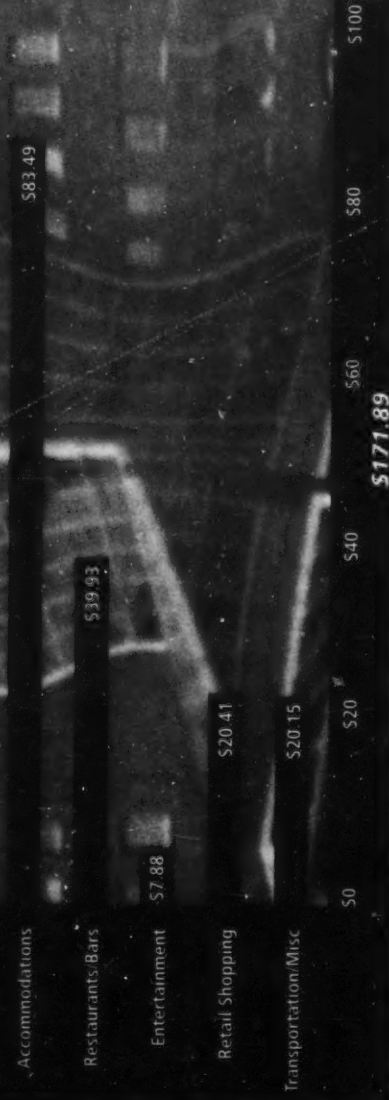
Trade Centre Limited was recently delighted to hear that our 1996-97 annual report had been chosen by the Canadian Public Relations Society for a Gemstone Award, a high honour in a competitive field.

Employees contribute news and ideas

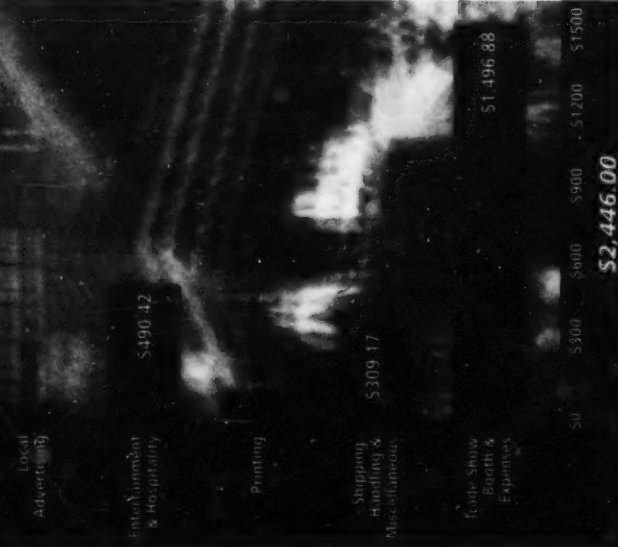
Inside the organization we are also seeing a rewarding response to our internal communications initiatives. Employees are contributing enthusiastically to the internal newsletter and recently responded to a survey, providing numerous excellent suggestions about the type of operational improvements TCL could make to help them do their jobs better. These ideas are now being incorporated into the 1998-99 action plans.

This type of communications progress would not be possible without strong executive leadership and cooperation from the management team. We are fortunate to have both.

WTCC DELEGATE AVERAGE DAILY EXPENDITURE



WTCC EXHIBITOR AVERAGE EVENT EXPENDITURE



WTCC PLANNER AVERAGE EVENT EXPENDITURE



HMC ATTENDEE AVERAGE EXPENDITURE



Monica Kennedy and Fred MacGillivray look over TCL's 1996/97 award-winning annual report.

FINANCE & INFORMATION TECHNOLOGY—PARTNERS FOR SUCCESS

Our Finance staff have accomplished a significant philosophical shift in the last two years. The finance group now works collaboratively with individual managers as a business partner in developing and using financial information in making more informed business decisions, which, in turn, is being reflected in more positive, bottom-line results. For example, members of the Finance team now work directly with individual staff and managers on specific initiatives—revenue opportunities, cost control and supply sourcing.

Opening new "Windows"

One of the most significant areas of progress in recent years has been in the incorporation of new information technology. The Finance and IT team continuously assess opportunities to incorporate new technology into our business that will generate economic efficiencies and productivity gains. For instance, the transition from DOS

to Windows-based systems has allowed managers much more flexibility in using applications and information effectively. Last year, we changed our reservation system to the Windows-based Breeze program and we made major hardware and operating system changes in Halifax Metro Centre Box Office operations. As well, we have integrated a company-wide voice-mail system which allows for faster and better customer response time.

The major benefit of these changes lies in the ability they give us to share information actively from group to group. For example, the information generated by Sales staff about an upcoming convention or trade show is now accessible to all the employee groups who must interact with the client to stage a successful event. The results are time savings, better customer service, and, of course, an improved overall professional image.

Purchasing for cost-savings
The Finance team is also making great strides in ongoing purchasing function improvements and cost-saving initiatives. The team serves as a key resource in helping all business units become more effective in identifying purchasing opportunities.

Opportunities

With most of our initial strategic IT objectives now up and running, we look forward in the year ahead to developing and extracting high-quality information from all our databases to assist management in even more effective decision-making. We are committed to looking for new ways that Finance and Information Technology can support our partners throughout the organization, in keeping with the major changes taking place in the role of finance and its function in business—from business "policeman" to business "partner"—in achieving financial success.

FINANCIAL SUMMARY Fiscal Year End March 31, 1998

Trade Centre Limited Five-Year Highlights

	1998	1997	1996	1995	1994
Revenues	\$ 7,115,404	\$ 6,518,664	\$ 6,441,242	\$ 5,997,704	\$ 5,261,173
Province of Nova Scotia operating surplus (subsidy) before depreciation and interest income	569,237	251,725	91,053	(310,217)	(662,112)

World Trade and Convention Centre

Revenues	\$ 4,496,698	\$ 4,117,489	\$ 4,127,398	\$ 3,802,500	\$ 3,088,113
Meals served	69,778	97,196	74,139	94,530	71,678
Attendance	152,429	174,586	149,662	168,470	176,353
Event bookings	714	749	759	719	685

World Trade Centre Tower

Rental revenues	\$ 1,980,539	\$ 1,779,983	\$ 1,872,113	\$ 1,825,295	\$ 1,838,554
Average occupancy	98.2%	97.3%	94.6%	94.2%	95.3%
Rentable "Class B" Sq. Ft.	116,190	116,190	116,190	116,190	116,190

Atlantic Canada World Trade Centre

Revenues	\$ 638,167	\$ 621,192	\$ 441,731	\$ 369,909	\$ 334,505
Members/Organizations	221	217	238	278	221

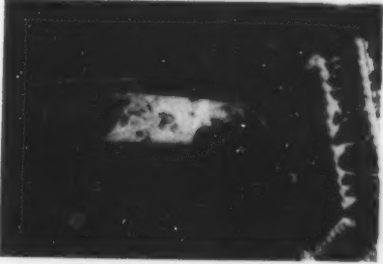
Halifax Metro Centre Five-Year Highlights

Revenues	\$ 5,048,292	\$ 4,404,768	\$ 3,233,103	\$ 2,827,466	\$ 3,316,294
Excess of revenues over expenditures	194,263	165,549	(218,524)	(370,906)	(270,360)
Special items	170,542	143,180	187,417	38,450	79,495
Operating surplus (subsidy) for the year	\$ 23,721	\$ 22,369	\$ (405,941)	\$ (409,356)	\$ (349,855)
Attendance (1)	598,370	527,869	456,101	558,626	323,558
Event days (2)	190	185	204	204	162

Note: (1) Does not include consumer/trade show attendance and nonpaid admission events

(2) Actual number of days facility in use by tenants, however does not include ice rentals

HUMAN RESOURCES—FACILITATING CHANGE



Judy Berthier helps celebrate Halifax Metro Centre's birthday celebration.

In the past three years, we have made great strides in human resource issues. The HR manager's role is evolving from one of a full-time problem-solver to that of a business partner who works with departments to achieve their human resource goals.

In 1996-97, we developed a human resources vision that describes the partnership we are striving to create with TCL employees. The partnership concept is embodied in a number of specific commitments, ranging from a healthy work environment to fair and consistent compensation practices.

Fairness and consistency

TCL's corporate culture is moving towards the open, collaborative model we set as our goal several years ago. Education, training and continuous communications are all vital to the success in driving cultural change within TCL. Underlying all initiatives is a well-developed understanding of TCL's employment practices by everyone in the organization. A key initiative in this area was the development of an employee handbook, which became a catalyst in achieving a more cohesive and con-



St. Stephen's School tour.

sistent application of all policies. Together employer and employees were able to clarify many areas of employment interest such as shared employment practices, new policies and employment benefits. As well, TCL employee programs and benefits are under continuous review to ensure all employee groups at TCL have fair

access. Another instrument of change was the education of our workforce through "Employee Awareness" training sessions. These sessions reaffirmed our commitment to creating and maintaining a safe and healthy workplace for our employees. The end product of all these initiatives has been the development of an open environment in which employees are comfortable in raising serious workplace issues and trusting that a responsive management will ensure action.

Restructured compensation system

One of our major projects last year involved a complete restructuring of our compensation system. From job evaluation to labour market research, a comprehensive compensation system was developed that is fair and equitable across the board. Open, clear communications and employee participation were key factors in the project's success.

New program targets distinguished service

One exciting new initiative currently underway is the development of a customer service program. Our goal is to become a recognized model for "distinguished" service, setting us apart from all our competition. Management and employees from all departments in the organization are working to establish standards, training and an awards program with built-in mechanisms

for monitoring and implementing change that will help TCL achieve new heights in service excellence.

In short, HR is bringing a focused approach to improving the TCL workplace and providing a working environment that nurtures fairness, consistency and integrity in our relationships with our employees.



TCL staff participate in Annual Hotel Olympics in Grand Parade.



Employees who completed a ten-session supervisory training program through Trade Centre Limited.



Lauren Myatt, Jessica Brown, Nicole Sheppard, Olivier Duval, and Angela Hersey make chocolate-dipped strawberries and chocolate-chip cookies with Pastry Chef, David Cosens, during Take Your Child to Work Day.